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DPD-3582-59
27 May 1959

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 1 to Letter Contract No. SP-1920 with Lockheed Aircraft Corporation, Burbank, California, OARFISH, Project CHALICE

1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 5.

2. Letter Contract No. SP-1920 covers IRAN and installation of J-75-P2 engines in four (4) CHALICE vehicles.

3. The proposed cost is \$1,250,000.00 of which the Contractor has indicated that \$1,000,000.00 will be required by 30 June 1959. The Letter Contract obligated \$600,000.00 of FY 1959 CHALICE Funds. This Amendment No. 1 obligates an additional \$250,000.00 chargeable to FY 1959 CHALICE Funds which brings the total obligated under the Letter Contract to \$850,000.00. Authority for this procurement is contained in Program Approval CHAL-0589 which has been approved in the amount of \$1,250,000.

4. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all 8(b) expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress, for each Contract.

5. Concurrence in Amendment No. 1 to Letter Contract No. SP-1920 is recommended.

CONCURRENCES:

25X1

25X1

[Redacted] Contracting Officer, DPD

25X1

ja [Redacted], Comptroller, DPD

25 YEAR RE-REVIEW

25X1

[Redacted]
Special Assistant for Technical Analysis

25X1

25X1

Office of General Counsel

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DPD-3581-59

Letter Contract No. SP-1920
Amendment No. 1

Lockheed Aircraft Corporation
Burbank, California

JUN 1 1959

Gentlemen:

1. Reference is made to Letter Contract No. SP-1920 between the United States Government and the Lockheed Aircraft Corporation, Burbank, California.

2. It has been determined that additional funding is required for performance of the contract work. Therefore, Paragraph 5, Authority to Obligate Funds, of the Letter Contract is deleted in its entirety and the following new Paragraph 5 is substituted in lieu thereof:

"5. Authority to Obligate Funds:

The maximum amount for which the Government shall be liable if this contract is terminated is \$850,000.00, and any expenditure or obligation by the Contractor in excess of that amount in furtherance of performance hereunder, shall be at the Contractor's own risk."

3. As a result of the above, contract funding is increased by \$250,000.00 for a new total of \$850,000.00. All other terms, requirements and conditions of the contract remain unchanged.

4. Please indicate your receipt of this Amendment No. 1 to Letter Contract No. SP-1920 and your acceptance thereof by executing the original and two copies of this Amendment. Return the fully executed original and one copy to the undersigned and retain the remaining copy for your files.

Very truly yours,


Contracting Officer

ACKNOWLEDGED AND ACCEPTED
LOCKHEED AIRCRAFT CORPORATION


RBB BY
TITLE Vice Pres.

DATE 8 June 1959

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